

1 REVIEW OF THE FY 2021 BUDGET AND FY 2022 ADVANCE
2 APPROPRIATIONS REQUEST AND OVERSIGHT OF CARES ACT
3 SUPPLEMENTAL APPROPRIATIONS FOR THE DEPARTMENT OF
4 VETERANS AFFAIRS

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6 WEDNESDAY, JUNE 3, 2020

7 United States Senate,
8 Committee on Veterans' Affairs,
9 Washington, D.C.

10 The Committee met, pursuant to notice, at 3:12 p.m., in
11 Room SD-106, Dirksen Senate Office Building, Hon. Jerry
12 Moran presiding.

13 Present: Senators Moran, Boozman, Cassidy, Rounds,
14 Tillis, Sullivan, Loeffler, Tester, Brown, Blumenthal,
15 Hirono, Manchin, and Sinema.

16 OPENING STATEMENT OF CHAIRMAN MORAN

17 Chairman Moran. Good afternoon, everyone. The
18 Committee will come to order.

19 Before we proceed to today's hearing, I would like to
20 take a moment to recognize that last Monday was Memorial
21 Day. It was a different Memorial Day for me and for other
22 Americans than normal, and it was more difficult for us to
23 gather together. But last Monday gave us an opportunity, an
24 opportunity that we should take every day, to pause and
25 remember the brave Americans who gave their lives in defense

1 of our country, and we honor the sacrifices they made to
2 keep us free.

3 While--let me start by saying that the veterans that we
4 honored on Memorial Day, they served our country, and that
5 peaceful protests are a demonstration of the freedom that
6 our veterans served to safeguard and to protect. And while
7 we reject the defacing of our national monuments, I would
8 take another moment to express my gratitude to the National
9 Park Service, its employees and volunteers, who quickly
10 restored our memorials, all of them, but especially those
11 that recognize the service of our men and women,
12 particularly the World War II memorial.

13 I know that this Committee will continue to further our
14 nation's pledge--one nation under God, indivisible, with
15 liberty for all. We do that by honoring those who served to
16 make certain we live in that country and we, again, use this
17 Committee as an opportunity to pay our regards and respect
18 to veterans who lost their lives to protect our freedoms.

19 Today's hearing is on the VA's fiscal year 2021 budget
20 request and the supplemental appropriations contained in the
21 CARES Act to respond to COVID-19 outbreak. We welcome
22 Secretary Wilkie as well as Dr. Richard Stone, Executive in
23 Charge of the Veterans Health Administration; Dr. Paul
24 Lawrence, Under Secretary for Benefits; and Jon Rychalski,
25 Assistant Secretary for Management and Chief Financial

1 Officer.

2 I appreciate your presence here today and we certainly
3 have done our job to socially distance. And Mr. Secretary,
4 despite the distance between you and me and your team, there
5 is nothing other than COVID-19 that causes that to occur,
6 and I look forward to continuing to work closely with you at
7 every opportunity.

8 I look forward to discussing with you all today how we
9 can work together to improve outcomes for veterans in our
10 country.

11 I would also like to acknowledge the passing of
12 veterans and VA personnel who lost their lives due to COVID-
13 19. Part of our discussion today is to make certain the VA
14 has every tool it needs to minimize the loss of life during
15 these unprecedented times, and I also want to thank the VA
16 nurses, our doctors, and support staff who work tirelessly
17 to deliver care to veterans during COVID-19 pandemic.

18 In addition to serving veterans, the VA has executed
19 its fourth mission, to support the American health care
20 system struggling during this national emergency. And this
21 response from these health care professionals has been and
22 continues to be admirable and important and necessary.

23 While the VA continues to devote resources to suppress
24 the pandemic, veterans will continue to rely on the VA for
25 their needs, such as education, home financing, and

1 transition services. To this end, the pursuit of the well-
2 being of our nation's veterans must continue unabated.

3 Between the release of this budget and today's hearing,
4 Congress passed legislation to support Federal agencies
5 responding to the pandemic. Following a supplemental
6 appropriation request from the President, Congress passed
7 the CARES Act, signed into law on March the 27th. CARES
8 provides \$19.6 billion for medical services, including
9 telehealth services, equipment, and supplies, personal
10 protective equipment, and emergency room and urgent care.
11 CARES also sets aside \$2.2 billion for IT, in order to
12 increase telework capacity and other telehealth needs.

13 I am interested to learn how COVID-19 emergency has
14 affected the VA health services and its budget.
15 Retrospectively, did the CARES Act appropriately fund the
16 right places, and prospectively, given the shifting health
17 care demands, does the President's fiscal year 2021 budget
18 still address VHA's projected needs?

19 Released before COVID-19 emergency, the President's
20 fiscal year 2021 budget request includes a proposed increase
21 of \$22.8 billion in funding for the VA for a total of \$243.4
22 billion. This represents a 10.2 percent increase above
23 fiscal year 2020 enacted levels. I look forward to hearing
24 from you how the proposed budgetary increase will create
25 better outcomes for our nation's veterans.

1 I was pleased to see the budget request includes an
2 increase for medical community care as the VA continues to
3 implement the MISSION Act. As we have discussed, many
4 veterans, especially those in rural states like Kansas,
5 depend upon community care providers for access to timely
6 and quality care.

7 The MISSION Act was a bipartisan effort to transform
8 veterans' access to community care, it is strongly supported
9 by every veteran service organization, and you have been a
10 champion, Mr. Secretary, to ensure its proper
11 implementation. We all want veterans to receive the care
12 they need through the VA or in their community, and I look
13 forward to discussing the future of the MISSION Act today.

14 Addressing another of the Committee's health
15 priorities, I appreciate the additional requested funding
16 for mental health and for suicide prevention. Mr.
17 Secretary, I know you share our priority. In January, this
18 Committee unanimously reported the Commander John Scott
19 Hannon Veterans Mental Health Care Improvement Act to
20 provided targeted resources towards research, grants for
21 community partners, and improved coordination between the
22 Department of Defense and the VA to quell the rates of
23 veterans who die by suicide. It is my hope that you will
24 continue working with us to get this bill signed into law
25 soon.

1 Mr. Secretary, as always, I thank you for being here.
2 I appreciate the difficulty of your job as the
3 Administration works to find a whole government solution to
4 the pandemic. I look forward to hearing your views on the
5 FY21 budget, and I now turn to my colleague and the Ranking
6 Member of this Committee, the Senator from Montana, Senator
7 Tester, for his opening remarks.

8 OPENING STATEMENT OF SENATOR TESTER

9 Senator Tester. Thank you, Chairman Moran, and I want
10 to thank you for having this hearing. Before I get into my
11 prepared statement I do want to say 10 days ago was Memorial
12 Day, and it was a different Memorial Day than I have ever
13 experienced. But the bottom line is that it gave me an
14 opportunity to really think, privately, quite frankly, think
15 about the everything that the veterans have given us in this
16 country--the freedom and the promise to live with liberty
17 and justice for all. And I think it is appropriate that as
18 we have all said, that every day is Veterans Day in this
19 country, because, quite frankly, without the sacrifices,
20 without the job that our military has done over generations,
21 this country would certainly be a different country than it
22 is today.

23 And I hope with all my heart, quite frankly, that we
24 keep in our mind that this country is about liberty, and it
25 is about justice, and it is about liberty and justice for

1 all.

2 So thank you to the veterans out there, and, Secretary
3 Wilkie, I want to thank you and I want to thank your
4 leadership team for being at the hearing today. Today we
5 get to go over the details of the President's budget
6 request. But truthfully, in the last four months the world
7 has changed, and the VA has changed. More than 106,000
8 Americans have died, many of them veterans who have returned
9 from wars abroad to die fighting a very different battle
10 here at home.

11 The VA is our largest integrated health care system in
12 the nation, and I know the VA has been focused on saving as
13 many veterans' lives as possible, with more than 12,000
14 veterans having been diagnosed with COVID-19 by the VA. And
15 while many are recovering or convalescing, we should never
16 forget that more than 1,270 have died.

17 As part of this mission, VA has also taken care of non-
18 veterans and has deployed staff and supplies to non-VA
19 facilities like state veterans' nursing homes.

20 VA's front-line workers and their workforce have done
21 an incredible job and deserve more than just a thank-you,
22 because that is not enough for the work that they have done.
23 It has been stellar. We must ensure that the VA has
24 everything it needs to keep the employees that we have safe
25 and take care of our veterans in the process.

1 Today's hearing is an opportunity for us to take stock
2 of where we are and where we need to be. Mr. Secretary, at
3 the outset of the nation's response to COVID-19, Congress
4 fulfilled VA's request for nearly \$20 billion to support its
5 ability to take care of veterans. We do need a better
6 understanding of how VA has spent those funds and whether
7 unspent dollars will be available to address veterans'
8 needs, whether it be COVID-19 or otherwise, in this next
9 fiscal year.

10 We also need to ensure that the President's budget
11 request for VA in-house care meets the anticipated health
12 care demands of veterans when looked through the lens of the
13 coronavirus. We also need to know whether private sector
14 providers are prepared to safely administer care to
15 veterans, given the virus' unprecedented effect on American
16 health care. And we must anticipate the economic ripple
17 effects of corona on industries across the board, prepare
18 for a potential increase in enrollment and reliance on VA,
19 and evaluate whether the President's budget meets those
20 demands.

21 We have seen the devastating physical effects that
22 coronavirus has had on those who have contracted the
23 disease, but I think we also see large-scale negative
24 psychological impacts and physical distancing and isolation,
25 seeing loved ones dying, and not having access to

1 traditional in-person mental health resources.

2 The VA needs to look to new and innovative approaches
3 to providing mental health care to veterans across the
4 country, including, but not limited to, increased access to
5 telehealth services. And as we have seen with this COVID-19
6 crisis, VA facilities need more space and certainly not
7 less. We need capacity, and we will not get there by short-
8 changing VA's infrastructure.

9 With veteran unemployment on the rise, it is also
10 critical that the VA communicate what programs we need to
11 support in order to get veterans educated, trained, back to
12 work, and able to provide for their families. One way we
13 help veterans provide for themselves and their families is
14 to ensure their claims are processed timely and accurately.
15 I am truly concerned with the mounting backlog of claims
16 from the COVID-19 pandemic due to deferred and disrupted in-
17 person examinations for veterans, and how these delays will
18 affect them and their families.

19 So I look forward to today's hearing, to learn more
20 details about how this budget request and the Department's
21 response to COVID-19 has gone, and I look forward to our
22 conversation. And once again, thank you, Mr. Chairman, for
23 having this hearing, and I want to thank all the witnesses
24 for being here today.

25 Chairman Moran. Senator Tester, thank you for joining

1 us. I appreciate the relationship that you and I have,
2 whether we are close or far apart. Maybe sometimes this
3 works better for us. But I am delighted that you are with
4 us.

5 And I would tell the Secretary and his team that we
6 have almost every member of the Committee present, either
7 here, in person, or remotely. This is a hearing that our
8 Committee members take seriously, and they are
9 participating. And while I am pleased that all of our
10 members are here, I also want to acknowledge the presence of
11 Senator Boozman, who chairs the MilCon-VA Appropriations
12 Subcommittee, who has a lot of interest and involvement in
13 your appropriations. So Senator Boozman, thank you
14 especially for joining us with your expertise and interest.

15 Mr. Secretary, before I introduce you I would say not
16 only thank you for being here but you have been very kind
17 with your time to Senator Tester and I throughout the
18 pandemic. I could not ask for more opportunities to have
19 conversations with you and your team, Dr. Stone and others,
20 and that was very helpful as we explored, and hopefully made
21 suggestions and asked questions that were beneficial to you
22 in fulfilling your duties during this pandemic.

23 Mr. Secretary, welcome, and please proceed with your
24 testimony.

25

1 STATEMENT OF THE HONORABLE ROBERT WILKIE,
2 SECRETARY OF VETERANS AFFAIRS; ACCOMPANIED BY
3 RICHARD STONE, MD, EXECUTIVE IN CHARGE OF THE
4 VETERANS HEALTH ADMINISTRATION; PAUL LAWRENCE,
5 PhD, UNDER SECRETARY FOR BENEFITS; AND JON
6 RYCHALSKI, ASSISTANT SECRETARY FOR MANAGEMENT AND
7 CHIEF FINANCIAL OFFICER

8 Secretary Wilkie. Thank you, Mr. Chairman and Senator
9 Tester. You stole the first line. I intended to say, and
10 actually I will say, that in my experience working in this
11 institution, everywhere from the majority leader's office to
12 finishing with Senator Tillis, that I can say that there is
13 no committee of authorization that has been more
14 collaborative or more supportive of the Department that it
15 oversees than this Committee, which is why I do say, with a
16 straight face, it is a pleasure for me to be here.

17 I also want to pick up on what you and Senator Tester
18 said about the events of Memorial Day. Memorial Day has
19 been part of my life for as long as I can remember. As
20 Senator Tillis says, I was born in khaki diapers and am very
21 proud of it. But this Memorial Day I looked out from the
22 podium at the Quantico National Cemetery and saw three
23 families scattered amongst the thousands of veterans at that
24 cemetery and realized that this really was a different time.

25 But I will say that we have, at VA, made sure that

1 every obstacle possible was removed, so that on that day of
2 days, those families could be in our cemetery, representing
3 the 1.1 million Americans who have lost their lives since
4 the first shots were fired at Lexington in April of 1775.

5 Mr. Chairman, you noted that last year we presented the
6 largest budget in the history of this Department. That has
7 now been surpassed by the budget presented to this Committee
8 this year. But I want to say that your support in that
9 budget reflects trust in VA that did not exist six years
10 ago. This is not the VA you read about in 2014. Today we
11 are rededicated to Lincoln's vision that we take care of all
12 who have borne the battle and for their families.

13 And our record of turnaround is something that may be
14 unprecedented in the history of the Federal Government. In
15 just a few short years we have implemented major reforms.
16 Under the MISSION Act we have successfully given veterans
17 real and permanent choice. And while some said that the
18 MISSION Act meant the privatization of Veterans Affairs, the
19 numbers show that the opposite has happened.

20 In the last fiscal year, we completed more than 59.9
21 million internal episodes of care, a record high. And while
22 we were doing that, between June 6th and the declaration of
23 the national emergency, we sent almost 4 million veterans
24 into the private sector to fulfill the MISSION Act's
25 mandate. We implemented critical updates to the Colmery

1 Bill, we took on the new task of caring for thousands of
2 Blue Water Navy veterans, and we continue to make progress
3 in the highly complicated development of the electronic
4 health care record that we will share with the Department of
5 Defense so that people like my father will never be burdened
6 with an 800-page paper record ever again.

7 And today we continue to implement those reforms even
8 as we cope with, as you and Senator Tester said, a radically
9 new normal that none of us could have foreseen the last time
10 I appeared before this Committee. This epidemic was a shock
11 to health care systems around the planet, but you should be
12 proud, as I am, the thousands of VA employees who put
13 themselves in harm's way to create an indispensable
14 resource, not only for our veterans but for our nation.

15 We continue to perform well because we took steps early
16 on that allowed us to keep serving veterans even when there
17 was so much uncertainty. Those steps included the immediate
18 implementation of emergency management procedures in the
19 last week of January, expanding telehealth access and
20 prohibiting visitors to our VA nursing homes and spinal cord
21 injury centers.

22 Here is where we stand today. As of this week, more
23 than 12,000 veterans nationwide have been diagnosed with the
24 virus, but 80 percent of those veterans are now at home,
25 having recovered. We are caring, as we speak, for 1,200

1 veterans with the virus, a number that has fallen in the
2 last two weeks from 2,200. We have, currently, about 1,100
3 VA employees who have tested positive, but we estimate that
4 our infection rate, with 330,000 employees in Dr. Stone's
5 department, to be one of the lowest infection rates of any
6 health organization on the planet. It is less than .5 of 1
7 percent.

8 And our staffing is stable because we have hired, in
9 the last seven weeks, 16,000 Americans who have agreed to
10 join us and serve veterans. That means 3,300 registered
11 nurses, 22 CRNAs, 535 physicians, and 202 nurse
12 practitioners who are with us now full-time.

13 And more importantly, we have the lowest rate of
14 infection amongst our nursing home residents, the lowest
15 rate of infection of any system in the country, because
16 early on we took very difficult steps to close off our
17 veterans, sadly, from their families and their friends.
18 Because of that we have 19 veterans in our nursing homes, 19
19 out of the 7,000, who are infected with the virus. And I
20 believe that we have set an example on how to care for our
21 nation's most vulnerable.

22 That stability in operations has allowed us to open our
23 doors for the fourth mission, which is to back up the
24 national health care system in times of crisis. We are now
25 in 47 states and territories. By April, we were accepting

1 requests to open dozens of our hospitals to non-veterans
2 across the country. Our expertise in caring for nursing
3 home residents is in the highest demand. We have deployed
4 294 VA staff to community nursing homes around America, and
5 330 VA staff have been deployed to help at state veterans'
6 homes.

7 The crisis, as I mentioned, was not costless for us.
8 COVID has claimed the lives of 32 of our VA family. But in
9 April, April brought us irrefutable evidence that the tide
10 at VA has turned for the better. On the last day of the
11 month we released a survey showing that a record 90 percent
12 of veterans across the country now completely trust VA care.
13 That is a record high and is a record high even in a
14 pandemic.

15 So that is today's VA. It is a learning organization,
16 filled with employees who can turn on a dime to keep
17 veterans and non-veterans safe, even during this time of
18 incredible uncertainty.

19 Mr. Chairman and Senator Tester, I again thank you for
20 your many courtesies to me and everything you do for our
21 nation's most deserving.

22 [The prepared statement of Secretary Wilkie follows:]

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25

1 Chairman Moran. Mr. Secretary, thank you very much.
2 Let me begin with a handful of questions and then turn to
3 Senator Tester. Committee, we will do this seniority, not
4 knowing the presence of every member at the moment. So we
5 will work our way, alternating between Republicans and
6 Democrats by seniority.

7 Mr. Secretary, can you walk us through why we are
8 seeing a steady growth and increasing funding in both
9 internal VA medical services and community care? Let me use
10 this opportunity to say that I believe that whether the care
11 is provided in the community or provided internal to the VA,
12 both are VA care. They are both part of the Department of
13 Veterans Affairs and they are not separated.

14 You indicated the hiring of 10,000 medical staff.
15 This, in my mind, could lead toward a greater capability of
16 seeing more people internally within the VA, and maybe
17 result in less people involved in community care.

18 You have also indicated, to me and Senator Tester over
19 a long period of time, the increasing use of telehealth.
20 How does that then have a consequence on the amount of
21 veterans being seen internal and in community? I mean, I
22 raise this question, in part, because we are being requested
23 in this budget for more money in both categories, internal
24 VA care and community care.

25 Secretary Wilkie. Mr. Chairman, let me answer the

1 telehealth question first, and I think that is a separate
2 category because it rests on a priority that I gave to this
3 Committee when I had my confirmation hearing.

4 The two communities in this country who serve the
5 nation in higher numbers than any other communities are
6 rural Americans and Native Americans, the two populations
7 that are the hardest for us to reach, no matter what the
8 MISSION Act does. But what we have done with telehealth is
9 increase our footprint in rural and Native America.

10 I will give you an example. In April, we had over
11 900,000 telehealth encounters. That is an increase of
12 several hundred percent. The reason that is important is at
13 a time of crisis, when those veterans cannot get to our
14 facilities, or they cannot get to their private sector
15 provider, we have offered them a window to help with their
16 health conditions. I intend to expand our footprint through
17 telehealth into rural and Native America.

18 On the community care side, I am fully committed to
19 expanding that choice. Even during this time, 60 percent of
20 our normal MISSION Act community care appointments have been
21 carried out. The one thing that we have discovered during
22 this crisis is that many of our veterans are not going into
23 the private sector, and you have seen that all across the
24 country with declining rates not only of wellness visits but
25 visits to the emergency rooms.

1 So that has been the makeup of how we have reacted both
2 to the expansion of MISSION but also the expansion in the
3 confidence that people have in VA. And I will let Dr. Stone
4 add some comments about the numbers and budget.

5 Dr. Stone. Mr. Chairman, the growth in the budget
6 reflects enhanced enrollment--we are anticipating about
7 30,000 more veterans to be enrolled with us--and enhanced
8 dependence upon the system. As you know, about 80 percent
9 of the veterans that are enrolled with us have other health
10 insurance. They do not get all of their care from us.
11 About 20 percent do get all of their care. But increasing
12 amounts of dependence upon us, as well as the growth in
13 referral to community care.

14 A small percentage of the increase is due to MISSION
15 Act and the increased requirements of probably not more than
16 2, 2.5 percent, but Jon will correct me if I am wrong on
17 that number. But it is really dependence upon us and the
18 enrollment. And as we come out of this pandemic, we
19 certainly are concerned that financial destabilization of
20 the veteran population may result in even greater dependence
21 upon us, and I will defer to Mr. Rychalski to correct
22 anything I said.

23 Chairman Moran. Mr. Rychalski?

24 Mr. Rychalski. I have no corrections. I would say
25 that from the enrollee health care projection model that we

1 use to predict costs, I think the big cost driver is the
2 reliance that Dr. Stone mentioned. I think more people are
3 taking advantage of the VA. So we are a victim of our own
4 success. I think there are more programs, more benefits,
5 more access, different environment, and frankly people are
6 coming and taking advantage of it.

7 Chairman Moran. Is there a way to distinguish between
8 increasing number of veterans accessing care and the cost of
9 care in your calculations of a budget?

10 Mr. Rychalski. There is. It gets very complicated.
11 As you, I think, know, and Dr. Stone alluded to, I belong to
12 a commercial health care plan and they sort of know that I
13 am going to use their health care plan for all of my health
14 care. The challenge that we have is, you know, we have
15 beneficiaries that have all kinds of Medicare, TRICARE,
16 private insurance, and the challenge for us is predicting
17 how much of the VA they are going to use. You know, we may
18 see an increase in VA because of this, you know, this COVID
19 pandemic, people losing their job, and that is something
20 that we are looking at very closely. But predicting that
21 and sort of knowing is a very difficult thing to sort
22 through.

23 Chairman Moran. Thank you all for your responses. Let
24 me turn now to Senator Tester.

25 Senator Tester. Thank you. Thank you, Mr. Chairman.

1 I once again want to thank everybody who is there, that has
2 testified. Look, you guys touched on it, and I am just
3 going to kind of follow up where the Chairman was at. This
4 budget was developed long before we knew there was going to
5 be a 2020 pandemic, and, quite frankly, it is a boatload of
6 money but it needs to be right-sized. It does not need to
7 be overly inflated, and it certainly should not be less than
8 you need.

9 But each one of you talked a second ago about an April
10 increase in the hundreds of percents. You talked about the
11 fact that 80 percent of the folks have health care insurance
12 that use the VA. I think with unemployment increasing--and
13 you guys talked about this--you are going to see increased
14 dependence upon the VA. We have seen Medicaid enrollment,
15 for example, increase by 2.8 percent February to April, in
16 basically that month, and it is going to increase some more
17 moving forward.

18 So I think we can anticipate there is going to be more
19 pressure put on the VA, and I think we all can agree on
20 that. I think you have already said that. The question is,
21 does this budget account for that, since it was probably
22 laid out long before we have as COVID-19 pandemic on our
23 hands.

24 Secretary Wilkie. Senator, let me--Senator--and Jon
25 can give more details--the one silver lining in what has

1 happened is that when I first started talking to you and
2 talking to the Chairman, we were projecting hundreds of
3 thousands of veterans being infected with this virus. We
4 have mercifully been spared those numbers. Of the 9.5
5 million veterans we serve, 12,300 have been infected.

6 So what does that mean for the CARES Act and the
7 supplemental funding? That means of the \$17.2 billion that
8 the appropriators allocated to us for the CARES Act, we have
9 spent \$1.01 billion on medical services. Right now we have
10 more than enough to anticipate the problems that you have
11 just outlined.

12 Our problems and our emphasis will be on making sure
13 that the claims and that the education programs and the
14 vocational programs are fully up and running so that when we
15 get back to those face-to-face encounters we will be able to
16 provide those veterans with the services they need.

17 In terms of internal appointments, I do not see it
18 going up much more than it has, because we have reached
19 almost a saturation point in terms of the number of veterans
20 that we have in the system, and the number of veterans
21 across the country is going down.

22 Jon, did you want to--

23 Mr. Rychalski. I am sorry. Go ahead, Senator Tester.

24 Senator Tester. Well, I would just say go ahead, very
25 quickly, Jon, if you could, because I have some follow-ups.

1 Mr. Rychalski. Just to confirm what the Secretary
2 said. You know, we did not anticipate this in the budget
3 but we have a lot of flexibility.

4 The one thing I would like to emphasize, though, where
5 we could really use some help, is we did not get all the
6 right money in all the right places. We do have a real need
7 to move some of that CARES money into VBA--not a large
8 amount--some into NCA, and some flexibility for IT as well.
9 Those are three areas where we are going to be short. Other
10 than that, I think we have adequate flexibility. I think
11 the 2021 budget is adequate, but we did not know this when
12 we started. It is not all in the right places but it is not
13 bad.

14 Senator Tester. So it is your intent that--and this is
15 the question I was going to ask you, and you touched on it,
16 Jon--but is your intent then to get authorization to be able
17 to roll any unused CARES Act money into different line items
18 where you would need money in this budget?

19 Mr. Rychalski. Yes. In fact, you have given us
20 authority to move some money around within the medical care
21 appropriation, but we would ask for your support in
22 expanding that a bit with--you know, with congressional
23 oversight, to be able to move it to some other areas. I
24 think we are providing weekly execution reports. We are
25 happy to be 100 percent transparent. But we are going to

1 need to move some of that money around to other areas. That
2 is true.

3 Senator Tester. That is fine. That is good. That
4 transparency is good, and I want to thank you for that
5 statement.

6 So first of all, congratulations. I understand that
7 there have been 16,000 new people hired to the VA and April
8 and May, and if I am wrong you can correct me on that. So
9 congratulations on that. The question is, are these folks
10 that are--are they in it for the long haul, or are these
11 folks that have retired and came back, that you plan on
12 losing again, or is this really something that we can get
13 our arms around to help solve that vacancy problem?

14 Secretary Wilkie. Yes, sir. I believe 90 percent are
15 permanent, and that is one of the best news stories that we
16 can have in government.

17 Senator Tester, I want to follow up on something you
18 and I have talked about, and the reason I believe that this
19 funding, the supplemental funding, is so important. I am
20 cognizant that this will boomerang, or can boomerang on us
21 in the fall and the winter. I think the supplemental
22 funding that the Congress has provided us will be our hedge
23 against what could possibly come. And we have demonstrated,
24 I think, that we have the procedures in place to ensure that
25 if it does come back we will be ready, and I believe we have

1 the funding to meet that challenge.

2 Senator Tester. I appreciate that statement, Mr.
3 Secretary. Thank you for that. And I also say that I do
4 not know what happened in April and May. This is not to
5 what you touched on, but what you said is absolutely
6 incredibly important, because if this does boomerang back
7 you have got to be prepared for it. It sounds like you are
8 working in that direction. Thank you.

9 But whatever you did in April and May, to hire 16,000
10 people, can you repeat that in June and July? If you do
11 that for a few more quarters we will be in really good
12 shape--

13 Secretary Wilkie. Yes, sir.

14 Senator Tester. --from an employment standpoint.

15 Secretary Wilkie. Yes, sir.

16 Senator Tester. The last thing, and I will be very
17 quick because if my eyeballs do not deceive me I have got
18 about 50 seconds left. The issues around masks--I mean,
19 around testing is really important, and you have said that
20 any employee that wants to get tested can get tested. We
21 are not hearing that. We are not hearing that from the
22 folks on the ground. We are still hearing that they are not
23 being tested. Could you shed some light on that as to what
24 the heck is going on?

25 Secretary Wilkie. Senator, you are exactly right. We

1 are not there yet, although we have tested over 12 percent
2 of our employees. And it is our intent to have on-demand
3 testing for all of our employees. We are not there yet.
4 Most of that relates not to the machines that we need. We
5 have the ability to do 60,000 tests a week on our machines.
6 It is the availability of cartridges that go into that from
7 the various vendors and the availability of swabs.

8 And simply, when we issued the guidance to go to on-
9 demand testing for our employees, we ran out of swabs in a--
10 because of some problems with UPS shipping. And that was a
11 national problem with the crashing of UPS systems for a
12 weekend. We have now recovered from that. Right now we
13 have about 60,000 tests available, but we do not have the
14 ability to institute on-demand testing from our employees,
15 but it is our intent to get there.

16 Senator Tester. Mr. Secretary, thank you. And if I am
17 3 minutes and 20 seconds over, Mr. Chairman, thanks for not
18 gaveling me down, but I should have been. Sorry.

19 Secretary Wilkie. Mr. Chairman. Mr. Chairman, may I--
20 Chairman Moran. Mr. Secretary.

21 Secretary Wilkie. --may I add to that 3 minutes and 30
22 seconds, because Senator Tester just finished, but this is
23 also addressed to Senator Sullivan and Senator Rounds, and
24 those Senators who have large Native populations.

25 We have brought into our VA over 2,000 Native Americans

1 for treatment. We have gone into the Native nations, and we
2 are in several of those communities, and it is my intention
3 to expand our footprint there, some of our most vulnerable
4 veterans but also some of our most vulnerable Americans. As
5 Senator Sullivan knows, we have 114 individual Tribal
6 agreements, and it is my intention to expand that so there
7 is no Tribal community that we miss.

8 But I did not want to go without mentioning our help
9 for the Indian Health Service. And someone criticized me a
10 few days ago for not getting payments. I will worry about
11 that much later. The most important thing is getting those
12 services and that treatment out into Indian country.

13 Chairman Moran. Mr. Secretary, thank you. Senator
14 Tester, 4 minutes and 51 seconds over, if you include the
15 Secretary's remarks, and I will try to be more disciplined
16 with my colleagues.

17 Senator Boozman?

18 Senator Boozman. That is almost twice.

19 Chairman Moran. Almost twice.

20 Senator Boozman. No, we appreciate you, Senator Moran,
21 Mr. Chairman, and Ranking Member Tester for holding this
22 hearing, which is so, so very important. We appreciate you,
23 Secretary Wilkie, and your team for the great job that you
24 do.

25 This is just a comment. I hope that we can continue to

1 give you the ability to do the hiring process like you are
2 doing it now. I do not know how long it would normally take
3 you to get those people on board, but it would be a long,
4 long time. So again, we appreciate you all working so hard
5 and using the flexibility we have given you.

6 The fiscal year 2021 VHA veterans' health budget
7 request is \$90 billion, a \$10.8 billion increase from the
8 prior year. If you look at 10 years ago, in fiscal year
9 2011, the budget request for veterans' health then was \$52.1
10 billion. It is really remarkable the growth--to be precise,
11 73 percent in the last 10 years.

12 We talked about some of the drivers that were doing
13 that, and I would argue, having been on the Committee in the
14 House and now in the Senate for many years with our
15 distinguished Chairman, veterans health is so much better
16 than it used to be, and we have the confidence now. Lots of
17 people using the system.

18 We also--is it correct that we have an aging veteran
19 population in a sense with our World War II, our Korea,
20 Vietnam veterans, again, with multiple problems facing, and
21 then the increase in health care costs. So it is a lot of
22 money, but it is something certainly that we are committed
23 to doing. But the good news is I think the thing that is
24 spurring it, as much as anything, is just the confidence
25 that we are seeing in our veterans in continuing to use

1 veterans health care when they could go to Medicare or some
2 other insurance.

3 Dr. Lawrence, recently we visited, or the staff
4 visited. They were told that the recent suspension of the
5 C&P exams due to COVID that were understandably creating a
6 significant backlog. We have worked so hard to get that
7 down. Can you talk about the plan? What can we do to get
8 that back under control? I think what are we, 116,000
9 exams, something like that? Is that in the ballpark?

10 Mr. Lawrence. Yeah, you are being charitable. This
11 morning it was 119,000. And you are correct, sir. On April
12 2nd, when VHA stopped doing C&P exams, we follow their lead,
13 so on April 3rd we told our vendors they could no longer do
14 in-person exams. We started conducting ACE exams and using
15 their medical records to do things like fulfill their claim
16 or provide partial benefits. But you are right. The simple
17 math of what took place, and, you know, you all deserve some
18 positive responsibility for that. Through the Blue Water
19 Navy Act, we began to receive a lot of claims in January,
20 and now there are over 125 days. So that is correct.

21 We have a plan to open following VHA's lead, and that
22 would begin--they opened 20 hospitals. We are opening in
23 that area June 8th. We will start up again C&P exams in
24 certain parts of the country, and we will continue that.
25 The vendors know and they are making phone calls now to

1 schedule it.

2 We are not happy about the backlog. In November it was
3 64,000. Our team is very proud of processing claims
4 quickly, so we want to get that right away.

5 Two things, sir, to answer your question. The first
6 thing was what Mr. Rychalski just said about reprogramming
7 some money, so we will have overtime money to do the claims.
8 And the second, we have a piece of legislation, a
9 legislative request in front of you, to allow doctors to
10 conduct C&P exams across borders, and in addition some
11 flexibility for non-doctors to conduct the C&P exams, nurse
12 practitioners and the like. We would ask you to consider
13 that, and that would be one way for us to expand the
14 capacity to work the C&P backlog--work the C&P exams and
15 therefore the backlog.

16 Senator Boozman. Very quickly, Secretary Wilkie, the
17 fourth mission has been a big success. As a result of that,
18 FEMA, HHS owes the VA some money. Can you talk quickly
19 about the plan and actually recouping that? What is going
20 on with that? Certainly that would be very helpful to us as
21 we work through the budget.

22 Secretary Wilkie. Jon might have exact figures, but as
23 you know, statutorily, FEMA and HHS have to reimburse us
24 when we go on missions that they have approved. One thing
25 that I did, though, was I just started calling governors.

1 And we went out ahead of many of those missions because
2 particularly in state veterans' homes there was a crisis,
3 and FEMA has caught up with those requests.

4 But I will get you figures on how much we are owed so
5 far, unless Jon has new figures.

6 Mr. Rychalski. I was just going to say, sir, so we are
7 tracking it closely. We have worked with FEMA. We have not
8 billed them nor collected anything, but we will be doing so.
9 We can provide you a breakout of that.

10 Senator Boozman. Thank you, Mr. Chairman.

11 Chairman Moran. Senator Brown.

12 Senator Brown. Thank you, Mr. Chairman and Mr.
13 Secretary. Thank you and Ranking Member Tester. Thanks for
14 eating up some of my time, Jon. I appreciate that.

15 We are here to discuss VA's budget and the Department's
16 COVID-19 pandemic responses. Today VA reported 1,200
17 veterans, 32 VA employee deaths since the start of the
18 pandemic. Our country is in a crisis. People are dying of
19 a disease that continues to spread, particularly among
20 seniors, and especially among the black and brown workers
21 who are keeping our society afloat right now.

22 We know who essential workers are. They are too often
23 paid too little. One essential worker said to me, "I do not
24 feel essential. I feel expandable. I am not paid very
25 well. My work conditions are not very good," and that is

1 something that all of us on this Committee should think
2 about, especially when they are veterans.

3 Protesters are in the street now because their
4 government is failing them. It is failing to protect our
5 workers. Not only has it failed to protect black and brown
6 American workers, for generations of people who are supposed
7 to protect everyone it has too often been turned against
8 them.

9 Peaceful protesters should not be tear-gassed or pelted
10 with rubber bullets so the President can exploit a house of
11 worship, to stage a photo op. They are not terrorists.
12 American cities are not battle spaces. I know that the
13 great majority of veterans, I assume the great majority of
14 VA workers agree with that, and they too are embarrassed
15 when the President disbands peaceful protestors and then
16 brandishes a Bible as a weapon.

17 On this Committee we honor those who have chosen a life
18 of service. Nothing is more patriotic than upholding the
19 Constitution and exercising our fundamental rights. We need
20 to continue working together to address injustice and
21 inequality to ensure that all Americans are treated fairly.

22 I have directly from student veterans about how this
23 pandemic has affected their GI Bill benefits. Congress
24 worked to provide relief. I am still concerned that the
25 information from VBA is not reaching all the colleges and

1 universities in a clear format. I urge the Secretary and
2 the staff to work a little harder on that. We need to make
3 sure work-study students still are paid or that when classes
4 are only offered online GI Bill benefits continue as if
5 classes were in person. Even after we passed legislation to
6 address these issues, my office has heard from veterans in
7 schools.

8 Mr. First question, Dr. Lawrence. Would you commit to
9 work with my staff, with Anna and Drew on my staff, if we
10 hear of additional concerns about this?

11 Mr. Lawrence. Absolutely.

12 Senator Brown. Okay. Thank you. I figured you would
13 say yes, and you have always been cooperative. Thank you.

14 Mr. Secretary, I appreciate Senator Tester asking about
15 vacancies. I had the same question. We need to continue to
16 drive down the time it takes to hire medical professionals
17 at VA. Can you commit to retain the expedited hiring
18 practices that you have ably scaled up during the crisis?

19 Secretary Wilkie. Oh, absolutely, and if I need
20 additional authorities I will come to this Committee. I
21 think we have shown, Senator Brown, that the government can
22 work, and we have cut months, almost years off of the hiring
23 process.

24 One quick thing. One of the incentives that we gave is
25 that we told people if you joined us you can stay in your

1 hometown or in your home state should you so desire. And I
2 think that is a huge incentive.

3 Senator Brown. That is very important. I wanted to
4 take this opportunity to urge you to find a way to negotiate
5 in good faith with the VA unions. I and veterans know they
6 get better care, and employees know their concerns are
7 addressed where union representation is at the table. We
8 know that workers are more productive and they are better
9 treated.

10 Dr. Stone, Dr. Lawrence, have you reviewed the white
11 paper released by the National Veterans Legal Services
12 Program and the Jerome Frank Legal Service Organization at
13 Yale Law School. Veterans who were stationed in Guam for a
14 decade in the '60s and '70s were likely exposed to dioxin-
15 containing herbicide agents, including Agent Orange. Have
16 you looked at that paper and do you agree with the
17 assessment? For Dr. Stone and Dr. Lawrence.

18 Mr. Lawrence. Sir, let me go first. Yes, sir. We
19 reviewed the paper and I believe we responded to a letter to
20 you all about, you know, the inability of us to find the use
21 of the dioxin in that area. I know it was a very
22 complicated paper that required analysis from our team. I
23 am happy to discuss it more with you, but yes, it has been
24 reviewed.

25 Senator Brown. Okay, thank you. Dr. Stone, do you

1 want to add anything?

2 Dr. Stone. Sir, I have reviewed the paper and I agree
3 with Dr. Lawrence. It is very complex in its process and we
4 look forward to coming to resolution on it.

5 Senator Brown. Okay. It is important that the VA
6 always stand--as you know, always stand with veterans and
7 Agent Orange. We are sometimes slow to that. With burn
8 pits and now with this study it is important always that we
9 come down on the side of veterans.

10 Last comment, Secretary Wilkie and Dr. Stone. The VA
11 has made a major shift towards telehealth to decrease
12 possible spread of COVID-19. When we passed the CARES Act
13 we included specific funding to increase veterans' access to
14 internet and telehealth. Some areas of Ohio are rural.
15 Many of the Senators on this Committee have even more rural
16 areas than I do. They do not have great access to
17 broadband. This is especially important as veterans rely
18 more heavily on telehealth for the foreseeable future.

19 I hope you will share--my time is up, but please share
20 with the Committee at some point what steps VA, or with my
21 staff, what steps VA has taken to enter into contracts to
22 expand broadband and telehealth services for our veterans.

23 Thank you, Mr. Chairman. If you would just--you can
24 answer that question in writing, or if you want to take the
25 time now.

1 Secretary Wilkie. We will. It is a priority for us,
2 particular, as you mentioned, in rural America.

3 I did want to say something about your opening comment
4 about--I believe you mentioned gender disparities. We are
5 in an interesting position at VA. Forty-nine percent of
6 eligible male veterans are in our system. I can say to this
7 Committee today that 42 percent of all eligible female
8 veterans are now in the VA system. Dr. Stone has just hired
9 an assistant, special assistant, to monitor those issues,
10 any disparities, and report directly to him. I think we are
11 the only health care system in the country to monitor gender
12 and racial disparities in terms of health care and health
13 care outcomes.

14 So we are in the lead, and I think for many of those
15 communities the health care outcomes are much better within
16 our system than they are in the private sector. So I take
17 your point to heart.

18 Senator Brown. Thank you, Mr. Secretary. Thank you,
19 Chairman Moran.

20 Chairman Moran. Senator Cassidy. You are welcome.

21 Senator Cassidy. Thank you all. Thank you for your
22 good service and thank you in New Orleans, which had a lot
23 of COVID. You all did a lot of work to kind of mobilize
24 resources. I really appreciate that.

25 A couple of things. I have heard--again, as a

1 physician I get these phone calls from physicians all over
2 the country. Now one thing that has been said that in the
3 referral to outside specialists for different aspects of
4 care the intensity of the care is greater than it would be
5 if it were given in the VA, that every test is done that is
6 imaginable, and some of which you would not think would be
7 indicated. Maybe you cannot establish that they are not,
8 but they ordinarily would not be done in a more well-run
9 system.

10 And, of course, we are speaking not just for the VA in
11 general but we are also speaking for specific facilities,
12 because you want to have a kind of a spectrum of that. Dr.
13 Stone, I think you have been flagged for this.

14 Dr. Stone. Yes, sir. We authorize standard episodes
15 of care in which we define the scope of services to be done.
16 But we do find a greater utilization of services out in the
17 commercial space than we do--

18 Senator Cassidy. Now that assumes, Dr. Stone, just
19 because I have limited time, if you do have greater
20 utilization of services, either there is an underutilization
21 within the VA or an over on the side. Now I will just say,
22 as a doc, if you do too much bad things happen. It is not
23 benign to do something which is not indicated. On the other
24 hand, it should be done if indicated.

25 So do you have a sense of inside versus outside as to

1 the relative weight of that?

2 Dr. Stone. Yeah, and, sir, it is why we designed the
3 Community Care Program to be highly integrated with the VA
4 at the center and the primary care clinician at the center
5 of that, to make decisions in the best interest of the
6 veteran, and to work with the veteran for how to proceed.
7 We fine, in some very simple areas, like physical therapy,
8 dramatically higher uses in the commercial space than is
9 done within VA.

10 Senator Cassidy. But begging the question, is it
11 appropriate increased intensity, or not?

12 Dr. Stone. Not always.

13 Senator Cassidy. So is there--I presume then that you
14 all are taking measures, because that is one, expensive, but
15 two, it is also perhaps contraindicated, which is more
16 important.

17 Dr. Stone. We are, and that is the beauty of the
18 health information exchange, which allows us to utilize and
19 to integrate health care information systems for the veteran
20 so that there is not repetitive work being done, and we have
21 full visibility.

22 Senator Cassidy. Is it possible that you could give
23 this Committee a report on a per-institution basis? The
24 Dartmouth study suggests that it is regional, or even state,
25 or even community located in which you have increased

1 intensity of certain services. I think the individual
2 members of the Committee would like to know how the VAs in
3 their bailiwick, if you will, are responding to this
4 challenge.

5 Dr. Stone. We would be happy to work with your staff
6 and the Committee staff to really work through that request.

7 Senator Cassidy. Let me ask, Mr. Secretary, you
8 mentioned the success in hiring new people, but I was
9 recently told it can take as long as six months for someone
10 to be offered a position for them to actually be onboarded
11 and to be seeing patients. Any comments on that?

12 Secretary Wilkie. Senator, before Dr. Stone answers
13 that, as a physician might answer that, we have been able to
14 cut through most of the Federal flotsam and jetsam when it
15 comes to hiring people. I have shaved off weeks and months
16 out of the hiring process. When people apply, that hiring
17 application goes straight to the medical center or to the
18 department that would be hiring that person. The onboarding
19 is done quickly. So we have cut down years, months into
20 weeks, and I do not know that anyone right now is
21 experiencing that six-month delay. Now there may be one or
22 two specialties that might, but Dr. Stone can answer that.

23 Dr. Stone. Sir, it was not uncommon for us to take six
24 months to bring a clinician on, mainly because of the prime
25 source of verification of their education. With the help of

1 Office of Personnel Management we have cut that down to
2 seven days now, that if you apply today, in seven days we
3 will have you at work.

4 Senator Cassidy. Really?

5 Secretary Wilkie. And we have hired almost 600
6 physicians just in the last six weeks.

7 Senator Cassidy. So I have got 36 seconds left. Let
8 me ask you a four-minute question. During the COVID,
9 coronavirus crisis we have been using more tele mental
10 health and telehealth services. To what degree can we
11 continue to use those tele mental health? Have you found
12 them as effective as traditional mental health services?

13 Secretary Wilkie. We certainly have, and I think this
14 is the wave of the future, particularly for mental health.
15 And in addition to what we have provided, we have now
16 entered into agreements with--I will give you an example--
17 Walmart. Senator Tillis knows, I cut the ribbon on a
18 Walmart Veterans Health Clinic that exists behind the
19 pharmacy wall, where a veteran can come in and talk to a
20 mental health provide--this is in Asheboro, North Carolina--
21 anywhere in the country.

22 This is the wave of the future. It prevents veterans
23 from having to experience the pressures of a large clinical
24 setting. It takes the pressure off of their families. I
25 expect it to grow. And I think the one benefit of this

1 epidemic, it has allowed us to stress the test.

2 And I will finish by saying--I am going to make a
3 Louisiana comment. My grandmother is watching, in New
4 Orleans. She was born in the middle of the Spanish Flu at
5 the early part of the 20th century. She is still in New
6 Orleans. She survived this one. So that tells you the
7 resilience of the Crescent City.

8 Senator Cassidy. Thank you. I yield back.

9 Chairman Moran. Senator Blumenthal.

10 Senator Blumenthal. Thank you, Mr. Chairman. Thank
11 you all for being here. Thanks for your service. I saw a
12 report, I think this morning, in the Military Times, that
13 the number of active COVID-19 cases at VA medical centers
14 nationwide has risen by more than 7 percent in the last five
15 days. That is a pretty alarming turnaround, in contrast--

16 Secretary Wilkie. I can answer that. The system--the
17 accounting system was down for several days. But overall,
18 9.5 million veterans that we serve, we have had 12,300
19 infections. Of those 12,300 infections, we have less than
20 1,500 active infections. I think there is no health care
21 system in the country that has been able to keep those
22 numbers down as we have. And I think we did it because we
23 acted early. We were acting in February.

24 Senator Blumenthal. My question to you, though, is the
25 trend. What has been the trend over the last five days?

1 Are you saying that the Military Times was in error?

2 Secretary Wilkie. I am saying their interpretation was
3 in error.

4 Senator Blumenthal. Well, you are saying they were in
5 error.

6 Secretary Wilkie. I said their interpretation was in
7 error.

8 Senator Blumenthal. What are the numbers?

9 Secretary Wilkie. I gave you the overall numbers.

10 Dr. Stone. Sir, if I might add to this, I would ask
11 you, Senator, to consider two things, one, the number of
12 cases, and secondly, how many are hospitalized. Our
13 hospitalization numbers are stable and are not increasing.
14 I think as we increase testing, and we are doing 3,000 to
15 4,000 tests a day in veterans, you are going to get numbers
16 going up. And it is just like in each of your states, that
17 as you penetrate with--

18 Senator Blumenthal. Well, that is an explanation, but
19 the numbers are showing an increase. Correct?

20 Dr. Stone. The actual number is showing an increase,
21 but not in hospitalizations. Hospitalizations--

22 Senator Blumenthal. It is an increase in the number of
23 active cases. I understand hospitalizations are different
24 from active cases.

25 Secretary Wilkie. Yes, and most of those cases are at

1 home.

2 Senator Blumenthal. At home.

3 Secretary Wilkie. Because they do not require--

4 Senator Blumenthal. Well, that may be true--

5 Secretary Wilkie. --they do not require--

6 Senator Blumenthal. --I am asking you for numbers.

7 Secretary Wilkie. Well, I just gave you the numbers.

8 Senator Blumenthal. And I just want to make sure that
9 I understand. The trend is up by around 7 percent of active
10 coronavirus cases. The Military Times was the correct in
11 that report

12 Secretary Wilkie. And the trend--look. The
13 interpretation is that there is an explosion.

14 Senator Blumenthal. Let me move on to another topic
15 because I am limited in terms of time. My understanding is
16 that you have spent only--you have obligated only about \$2
17 billion out of the \$19.6 billion that has been provided
18 under the CARES Act. Why so small a percentage of the
19 funding obligated?

20 Secretary Wilkie. Well, because mercifully the
21 original projections that I discussed with the Chairman and
22 Senator Tester of several hundred thousand infections did
23 not play out. Those were the projections we were looking at
24 at the beginning of this.

25 Senator Blumenthal. So you do not need the money.

1 Secretary Wilkie. I also mentioned earlier, Senator,
2 that I am standing by for a rebound. We do not know what is
3 going to happen in the fall and winter.

4 Senator Blumenthal. So if that 7 percent trend that I
5 just mentioned continues, you might need the money more than
6 you do now?

7 Secretary Wilkie. Well, I think with the rebound you
8 would see people who have had no contact with the virus be
9 susceptible to it in the fall and the winter.

10 Senator Blumenthal. Let me ask you, with respect to
11 PPE, how many--and this is relevant to the potential
12 rebound--how many weeks of supplies do you have now in PPE?

13 Secretary Wilkie. We have multiple months of supply of
14 PPE.

15 Senator Blumenthal. Multiple months?

16 Secretary Wilkie. Yes.

17 Senator Blumenthal. So you have more than ample
18 personal protective equipment.

19 Secretary Wilkie. And if I can add, the Chairman and I
20 have talked, and so has Senator Tester. We are setting up a
21 system that is something that you were familiar with in your
22 Marine Corps days. The Marine Corps and Navy had supply
23 depots all over the country--spare parts, technicians. We
24 are doing that with our PPE and our medicines. I think this
25 is our hedge for the future, so that we will not be

1 susceptible to a disruption in the supply chain. So I have
2 adopted the models that I saw as a young naval officer, and
3 we are preparing by stocking up.

4 The other thing I would say is that we never fell below
5 two weeks of supplies during this crisis.

6 Senator Blumenthal. I have one last question. I have
7 many questions. Some I will submit in writing, but one more
8 question I want to ask you here. I introduced a bill last
9 year that was supposed by 18 veteran service organizations
10 to remove the one-year manifestation period for three
11 illnesses linked to Agent Orange, and I would like your
12 support for that bill, 50 years after the veterans suffered
13 the harms that are still affected.

14 Secretary Wilkie. Well, I certainly--as the son of a
15 combat soldier from Vietnam I understand it probably as well
16 as any dependent. Dr. Stone and I will be reviewing that,
17 as well as several other studies that are tangential to your
18 legislation, in the coming weeks.

19 Senator Blumenthal. And while you are reviewing that,
20 maybe you could also indicate why you have not categorized
21 as a presumptive disability three--several conditions that
22 are classified by the National Academy of Sciences in that
23 regard. I know that ordinarily you follow their
24 recommendations. In 2016, the National Academies
25 recommended adding four new conditions to the Agent Orange

1 presumptive disability list, including bladder cancer,
2 hypothyroidism, hypertension, and Parkinson-like symptoms.
3 Despite that scientific backing, you have not added those
4 conditions.

5 Dr. Stone. Sir, we and the Secretary have spoken
6 previously about this, and we are waiting for these two
7 additional studies to finish, that are broad studies of
8 death rates as well as the health status of the Vietnam
9 veteran before we come to agreement on that. We have talked
10 to the National Academy of Sciences and looked at the
11 statistical variance that they have, and frankly, I am not
12 as convinced as the National Academy of Sciences is. But we
13 will defer to those two studies and then make
14 recommendations to the Secretary.

15 Secretary Wilkie. Mr. Chairman, if you would indulge
16 me to finish the original question Senator Blumenthal asked
17 about the 7 percent increase and why I was questioning the
18 interpretation. We have 9.5 million veterans in our system.
19 We have had 12,300 infected, mercifully, an incredibly low
20 number. And of those 12,300, well over 9,000 have
21 completely recovered. So a 7 percent increase--and why I
22 was challenging the interpretation--sounds like there has
23 been an explosion in terms of the number of veterans
24 infected. It has been mercifully low if you look at the
25 entirety of the community we serve.

1 Senator Blumenthal. My time has expired. I thank you,
2 Mr. Chairman.

3 Chairman Moran. You are one of my Ranking Members, as
4 is Senator Tester, and you almost got as much overtime as he
5 did.

6 Senator Rounds?

7 Senator Blumenthal. Thank you.

8 Senator Rounds. Thank you, Mr. Chairman. Mr.
9 Secretary, gentlemen, thank you all for your service to our
10 country.

11 Mr. Secretary, in a call we had with you just a few
12 weeks ago you were confident that any overdue provider
13 claims were old Choice-era claims, but earlier this week, in
14 preparation for this hearing, leaders from your department
15 told members' staff that there are aged MISSION Act claims
16 among the VA's current backlog. This does line up with your
17 written testimony today, page six of your testimony, in
18 which you have indicated, and I will quote, "The VA realizes
19 it needs to do a better job of paying claims from community
20 providers," end of quote. And it is certainly reflective of
21 what my experience is and what I continue to hear from my
22 providers in South Dakota.

23 So looking at your request for \$18.5 billion for
24 community care for fiscal year 2021, what I would like to
25 know is, is this enough to make sure your department can do

1 what needs to be done to get our community providers paid in
2 the time that the law currently requires? Just as an
3 examples, is this enough money to get the eCams up and
4 running at 100 percent capacity? I think according to
5 discussions with staff earlier this week it is running at
6 about 33 percent capacity. Our expectation, based on a
7 February discussion, was that it would be up and running by
8 about May 4th or so. So we have got a ways to go yet.

9 And is this enough money to clear your backlog of the 2
10 million claims, and help the VAs transition out of the
11 direct payer role altogether?

12 Secretary Wilkie. Before Dr. Stone answers the way
13 forward I will say, and I have been in South Dakota twice in
14 the last six months, since MISSION kicked in on June 6th of
15 last year we have processed 22 million claims and disbursed
16 \$6.9 billion. I can say that with the coming of new
17 management to our regions right now the number is at 57
18 percent of all claims are now paid within seven days. That
19 still means we have a backlog, but it is moving in the right
20 direction.

21 Dr. Stone. Senator, the last time you and I talked
22 about this I had between 3.2 and 3.4 million claims in
23 backlog. That number is now down to 1.9 million, and we
24 disbursed over \$1.3 billion in payments last month, in the
25 month of May. I think we are going in the right direction.

1 eCams has not come on board at the rapidity at which we
2 wanted, although it is running well. What we are looking
3 for is auto-adjudication, where it, on an automatic basis,
4 adjudicates a claim. And that, you are exactly correct, is
5 not at the level it should be. I have been reassured by Dr.
6 Mathews and her team, who are running Community Care that in
7 the next month we will take a dramatic upturn in the amount
8 of auto-adjudication that is driving this down.

9 Now the first question you asked was, is \$18 billion
10 going to be enough? It looks like it. It looks like even
11 with the growth in the dependents and the unknown that we
12 have as we go into a potential second wave, or even third
13 wave of this pandemic, we will be okay with that number.

14 So I am confident in that number. What I am still not
15 happy with is the amount of backlog claims. We must be a
16 good partner to every provider or we are not going to keep
17 the 880,000 providers who have pledged their commitment to
18 Americans veterans.

19 Senator Rounds. Thank you, and I think that is really
20 the crux of it for us, is if we are not paying these
21 providers in a timely fashion. A lot of them do not have
22 real deep pockets, and if they cannot get paid to continue
23 to pay their bills, then at some point--and so far none of
24 them have declined the veterans, but we most certainly do
25 not want to get them to the position where they feel that

1 they may.

2 Dr. Stone. Senator, they have not, and we are keenly
3 aware that the American health care systems in the private
4 space are losing \$50 billion each year, and we have worked
5 really hard to make sure that we can do our part to maintain
6 their liquidity.

7 Senator Rounds. Great. Thank you.

8 Mr. Secretary, can you give me a walk-through of the
9 decision to decrease your requested funding for the VA's
10 Rural Health Initiative this year by 10 percent, from \$300
11 million in fiscal year 2020 to \$270 million in fiscal year
12 2021? It seems that with your emphasis--and I know you have
13 been to South Dakota twice and you have talked about what we
14 need to do to work with IHS in our rural areas. But to see
15 that decrease kind of caught me by surprise.

16 Secretary Wilkie. I will go back and look. I think it
17 is because of the emphasis on telehealth, which has cut down
18 on costs. But I will give you a line-by-line breakdown of
19 why that happened.

20 And I would also add--and this is a parochial matter
21 for you--I was on KELO yesterday, and I wanted you to know
22 that I renewed the commitment to Hot Springs on South Dakota
23 television, and my staff has been in contact with your staff
24 to make sure that when we deal with that record of decision
25 it is not only airtight but it is also in line with the

1 legislation that you put in the appropriations bill.

2 Senator Rounds. Thank you. Thank you, Mr. Chairman.

3 Chairman Moran. Senator Rounds, thank you very much.

4 I meant to mention after Senator Blumenthal's questions that
5 this Committee will have a hearing next Tuesday. He was
6 asking the Secretary--Senator Blumenthal was asking the
7 Secretary about PPE. Our Committee will meet next Tuesday
8 afternoon to have a hearing. The title of the--the subject
9 is "Building a More Resilient VA Supply Chain." And so we
10 are going to spend some more time with the Department in
11 regard to this topic.

12 Now Senator Hirono.

13 Senator Hirono. Thank you very much, Mr. Chairman.

14 What is happening in our country right now is a tremendous
15 acknowledgment of the disparities that have existed in our
16 country for far too long. The pandemic has further exposed
17 the disproportionate access people of color have to critical
18 services, like health care, housing, education, social
19 supports, and protests are happening all over the world, in
20 all of our country, including, of course, in Hawaii, in
21 response to violence against black Americans.

22 And we are at a time in our country when we cannot just
23 go back to doing things as usual, and if ever there was a
24 time to have some kind of reckoning to move us forward, this
25 is it.

1 When the top leadership of our agencies does not
2 reflect the people they serve, that can have real lasting
3 consequences. So, Mr. Secretary, I would like to ask you,
4 would you agree that diversity in those who are making
5 decisions that impact the lives of all the diverse group of
6 veterans that you serve, is not diversity in leadership a
7 good thing in order to provide truly equitable services to
8 veterans?

9 Secretary Wilkie. Senator, I will be careful in my
10 answer. I grew up in this world. I think you will find
11 that the Armed Forces of the United States have been the
12 great leveler when it comes to equal treatment. I have
13 surrounded myself with people who have the same experiences.
14 Everyone at this table has served in uniform. We understand
15 the culture and we speak the language. My deputy, she
16 graduated from--she graduated from the United States Air
17 Force Academy. Our Assistant Secretary for Legislative
18 Affairs, who is sitting behind me, I actually served under
19 in the Air Force.

20 We have one goal. It does not matter where we come
21 from, we have all served. And I think for us, at VA, that
22 is the most important thing. And I would also add what I
23 said earlier. We are the only health care system, Senator--
24 and you and I have talked about this--we follow gender
25 disparities. We follow racial disparities. We have now

1 brought up, just in the last few years, the percentage of
2 veterans who are women to 42 percent. The percentage of
3 veterans, eligible veterans, who are male are 49 percent.
4 So we are moving up.

5 Just a few years ago there were only a few, less than
6 200,000 women in the system. Today there are 500,000. So I
7 think we have--

8 Senator Hirono. I acknowledge that. What I am talking
9 about are the people who are making decisions on behalf of
10 the diverse group of veterans that you now have, and many of
11 them are women. And we are already acknowledging that they
12 may have different kinds of health care and other kinds of
13 needs, and therefore you are programmatically seeking to
14 address those. But it is really the people who are making
15 decisions.

16 Let's face it. I am not disparaging anybody who is in
17 the military, by the way, and there should be an
18 acknowledgment that we all have implicit bias. And so no
19 matter how fair we may all think we are, that unless you
20 walk in the shoes of somebody else then it is--it is not the
21 kind of thing where we can, "Oh yeah, I know what you feel.
22 I know what you are thinking."

23 Secretary Wilkie. My, my--

24 Senator Hirono. So this is why I would say, diversity
25 in leadership is important.

1 I do have a question for you before I run out of time.

2 Secretary Wilkie. I will just say my deputy, she
3 served 30 years in the Air Force, and I think that is a
4 testament to how far VA has advanced along the lines, that
5 you--

6 Senator Hirono. I am all for women in decision-making,
7 but we all know within the military there are still major
8 issues relating to sexual assault and sexual harassment, but
9 that is a whole other matter. And we also know there are
10 disparities within the VA, and I am glad that you
11 acknowledge it and you will, I hope, do something about it.

12 But do you do implicit bias training within your
13 leadership group in the VA?

14 Secretary Wilkie. Yes, Senator, we do.

15 Senator Hirono. Good to know. For years, I have
16 brought up the Advanced Leeward Outpatient Health Care
17 Access Project at hearings and meetings with VA leadership.
18 The project was scheduled to be completed by fiscal year
19 2020, but has encountered multiple delays. Earlier this
20 year, the VA said that this lease award was expected by mid-
21 May, but in the recent weeks we have learned that that has
22 been delayed due to COVID-19. Now a lease award is not
23 expected until mid-August, and the project is not expected
24 to be completed until spring of 2023.

25 You can see where the veterans are very concerned that

1 this project keeps being delayed. Can you explain to me
2 what exactly is causing yet another delay and how VA is
3 working to address it and provide a--could you provide a
4 detailed timeline for the ALOHA project so that I can let
5 the veterans in Hawaii know when they can expect this
6 facility to be built?

7 Secretary Wilkie. Yes, Senator, and you know I have
8 been in Hawaii several times, and the ALOHA Clinic is a
9 classic example of what happens when there are too many
10 layers of Federal bureaucracy. Some not attached to the VA
11 gets involved in construction projects. This is a problem
12 that I will bring to the Chairman, and I think I have
13 mentioned it to Senator Tester as well. The way CBO scores
14 these projects is not realistic. The other thing that I
15 will bring to the Chairman is that for projects like the
16 ALOHA Clinic in Hawaii, which have stopped and started
17 because of CBO and GSA bureaucracy, we want to give more
18 flexibility to the Department and to the leaders on the
19 ground to be able to engage in these contracts, contracts
20 that reflect the situation in Hawaii, and not a one size
21 fits all.

22 So I take your point. You are absolutely right, and we
23 are working on providing this Committee with hopefully some
24 legislative solutions so what happens in Hawaii does not
25 happen again.

1 Senator Hirono. Thank you so much for acknowledging
2 that, and of course things are much more expensive in
3 Hawaii, and one size fits all where the costs are not fixed
4 do not do it for us in Hawaii. So I will do whatever I can
5 to assist you, Mr. Secretary.

6 I am glad that one of the--

7 Chairman Moran. Senator, your time has expired.

8 Senator Hirono. Oh, I am sorry. I will send more
9 questions for the record. Thank you, Mr. Secretary.

10 Chairman Moran. Thank you, Senator Hirono. The
11 announcement about the vote has been delayed 10 minutes, so
12 it is now at 4:40. So we have--I do not know what we have.

13 Senator Tillis?

14 Senator Tillis. Just enough time for my round.

15 Chairman Moran. Apparently you are the lucky one.

16 Senator Tillis. Thank you, Mr. Chairman. And Senator
17 Tester, it is great to see you have found your flat top
18 again. It is a good luck.

19 Mr. Secretary and for all the witnesses, I want to go
20 back on--I have completed 45 telephone town halls, updating
21 people in North Carolina on COVID, and one thing it has
22 required me to do is to take a look at the numbers and not
23 view any one number in a vacuum. I am sure that you guys
24 are taking a look at any increase in cases, you are
25 adjusting that, you are looking at the rate of doubling, you

1 are looking at how you adjust that for the rate of testing,
2 and those numbers.

3 So Dr. Stone, in your opinion, do you believe--because
4 this hearing people could leave saying that the VA admitted
5 there is a 7 percent spike. But are you looking at all
6 those numbers, and in that context doing it as a manageable
7 number that is within your expectations?

8 Dr. Stone. Yes, sir. Early in this we were dealing
9 with very rapid doubling rates. We are now dealing--your
10 state has had gradually increasing numbers, but with a
11 doubling rate that extends out to between 30 and 40 days.

12 Senator Tillis. Right, and early in the crisis we were
13 in 5- and 10-day increments.

14 Dr. Stone. We were in 1- and 3-day doublings. So yes,
15 sir.

16 Senator Tillis. So I just wanted to level-set that.
17 Before anyone takes any one number they really need to
18 understand the numbers if they want to do it justice--

19 Dr. Stone. Yes, sir, and--

20 Senator Tillis. --on the trends. Because clearly you
21 would be surging if you had a concern.

22 Secretary Wilkie. Senator Tillis, and I was not trying
23 to be disrespectful, but--and you know that I went into the
24 law because I could not do math.

25 Senator Tillis. Yep.

1 Secretary Wilkie. But when we have an infection rate
2 that is as low as ours, a 7 percent increase is in the tens
3 or maybe, at most, the dozens. That does not mean it is not
4 serious, but it is not a crisis. And I think we have shown
5 since this began that we have been able to manage, and our
6 veterans have responded. We have set out well over 50
7 million individual communications to veterans and families.
8 We have warned them of what was out there. We have given
9 them instructions and they have responded magnificently,
10 which is why I think the numbers are as low as they are.

11 Senator Tillis. Thank you. Jon, you mentioned the
12 need for reprogramming some of the additional dollars. I
13 think you have been good stewards. I think would have spent
14 all \$18 billion if you thought it was necessary. You are
15 demonstrating good stewardship on the money that was
16 allocated under the CARES Act.

17 I would expect--I know IT is something that you
18 mentioned--I would expect that as you scale up telehealth,
19 as maybe you scale up capacity for some of the underlying
20 information systems, that those are some areas where you
21 need flexibility to deploy resources. We need to make sure
22 that we get that information.

23 I also think that--I am looking ahead to a surge. If
24 we take a look at the breakdown of patients, particularly
25 acute cases and deaths, it is clearly in congregate care

1 facilities and populations where we have higher risk
2 categories, over age 65, underlying health conditions, et
3 cetera.

4 We are going to have another wave. The question is how
5 many therapeutics do we have and what have we learned in
6 terms of protocols to reduce the spread. But also I think,
7 and particularly among the senior veteran populations and
8 congregate care facilities writ large, we should already be
9 creating a mentality for a posture that we take before we
10 hear of the first case in November or December. Are you all
11 taking those steps and trying to inculcate that as a part of
12 your culture?

13 Secretary Wilkie. So we have, and the nursing home
14 community is the example. We serve a little under 8,000
15 veterans in 134 nursing homes. We put in emergency
16 protocols very early on in this. We test everyone in the
17 nursing home. We also test all of the employees. We
18 stopped visitors and families--a very difficult decision,
19 because more than half of those veterans are from Korea and
20 World War II.

21 Senator Tester. Yeah, and Secretary Wilkie, because I
22 want to ask an open-ended question and finish before the red
23 light. I think it is just important. You know how
24 heartbreaking it is when you want to go visit someone in
25 these facilities. I think if we set the expectation now, so

1 that they just know that that is standard operating
2 practice, it is going to be easier to manage that and make
3 it less likely that we see anything approaching it. I do
4 not believe we will see anything approaching what we have in
5 this wave.

6 The last question, and it is really maybe something for
7 you all to think about. I have had this discussion with
8 DoD. As you are looking at deadlines and you are looking at
9 other requirements Congress has placed on you, that you
10 could rightfully assert that maybe you need a little bit
11 more time to get certain things done--it could be projects,
12 it could be reports, it could be any number of other things--
13 -I hope that you will report back to us and let us know, to
14 the extent that that is going to require statutory action.
15 And I think you would have a rational basis for knowing what
16 those are.

17 And offline we will talk about the electronic health
18 record implementation. I know it was delayed somewhat. I
19 would be interested in knowing whether or not there are
20 resources that we could put in so that we can continue it
21 maybe through tele-implementation and a number of other
22 things. I know the platform providers implement it in the
23 private sector.

24 Thank you.

25 Chairman Moran. Thank you, Senator Tillis. Senator

1 Manchin.

2 Senator Manchin. Thank you, Mr. Chairman. I thank all
3 of you for being here before us today.

4 First of all, I am just going to take a moment to thank
5 all of the Veterans Affairs employees that we have in our
6 state, and that you have around the country, because they
7 have been stalwarts. They have been on the front line there
8 and they have done a great job. They really have.

9 My concern has been, and I think Secretary Wilkie and I
10 spoke about this, the testing. Veterans are having a hard
11 time. They are confused about the testing. They are told
12 they have to pay for it, and that it has been, you know,
13 pre-approved, and going through all the red tape. Have you
14 been able, Dr. Stone, maybe to work through that, that
15 clarifies this for them, to make sure that our veterans can
16 get tested if needed?

17 Dr. Stone. Sir, I appreciate your advocacy for this,
18 and you and I have talked about it. Where we are having
19 trouble is this drive-through testing. And when the drive-
20 through testing is being done by somebody not enrolled in
21 our system is where we are having trouble with it. What we
22 would like to get, and what we have reached out to do is try
23 and look at every drive-through testing, any place we can
24 find it, and try to enroll those health care systems in
25 this.

1 Unfortunately, some of them--

2 Senator Manchin. Is there something we can do to help
3 you? Is there anything that we can do legislatively, or
4 something through our office officially to help you?

5 Dr. Stone. Yeah. I think that we will work with your
6 staff on it. Right now Community Care believed that they
7 were well on their way to working their way through this, to
8 make sure that there was no bill sent out to any veteran.
9 And I can reassure you that within our system there have
10 been no bills sent out for COVID testing, and if there is we
11 will reconcile it.

12 Senator Manchin. Okay. Well also--and, Mr. Chairman,
13 you have said that the PPE, we are going to be doing that
14 next week?

15 Chairman Moran. I am sorry. Yes.

16 Senator Manchin. The PPE? Because I know--we have put
17 nearly \$20 billion in that in order to train, so we will get
18 an accounting. There is no use for me to ask that question
19 if you are going to get back into that next week.

20 Chairman Moran. We will.

21 Senator Manchin. Sir, and Dr. Stone, on the VA in
22 Clarksburg, two years. The rumors going around now are just
23 unbelievable in the local circles, about even the person of
24 interest maybe still working, or being employed, or coming
25 back as a contractor. Have you been--

1 Dr. Stone. Sir, I can reassure you, as of a discussion
2 yesterday, that is absolutely untrue.

3 Senator Manchin. Well, I think it is too. It is a
4 vicious rumor going around that is hurting an awful lot of
5 families. But the most important thing is the two years.
6 Do you see any end in sight?

7 Dr. Stone. Sir, the answer to that question has to be
8 done by the IG and the Justice Department.

9 Secretary Wilkie. Senator, I have expressed my
10 frustration with this. You and I talked, and Senator Capito
11 was on the phone. This investigation began before I was
12 Secretary.

13 Senator Manchin. Right.

14 Secretary Wilkie. And that is a disservice to the
15 people of West Virginia.

16 Senator Manchin. It is just--I cannot explain it. I
17 mean, you can imagine what the families are going through.
18 Why would you put anybody through this? I know you are not
19 intentionally--I know that, Secretary Wilkie, you could not
20 believe either, the insensitivity of what is going on. But
21 we have got to get an answer. I am going to go, I think, to
22 Attorney General Barr. I have got to go to Attorney General
23 Barr. And I have gone there before but now it is urgent
24 now, two years. And now with these rumors starting to creep
25 up, you understand the whole uncertainty of what is going on

1 and these people being left in limbo like that. It is just-
2 -

3 Secretary Wilkie. Sir, this is a disservice to every
4 veteran in that community, and as you know, this is a small
5 community. These employees have done a great job of
6 cooperating every step of the way, and we look forward to
7 resolution.

8 Senator Manchin. Anything you can do to help us we
9 appreciate.

10 Secretary Wilkie. Thank you.

11 Senator Manchin. Thank you.

12 Chairman Moran. The next senator--I think we only have
13 Senator Sinema left, and she is to call in at 4:40, which is
14 now. Senator Sinema, are you available?

15 [Pause.]

16 Chairman Moran. Let me ask a question then, Mr.
17 Secretary, which I had intended to ask at the end of the
18 hearing. I was caught--my attention was caught by the two
19 questions by both a Republican and Democrat about testing
20 and about the 7 percent increase. I want to make sure I
21 understand what that reflects.

22 My assumption is that as more people are tested we are
23 going to see more positive numbers. Perhaps this is a
24 question for Dr. Stone, but what is it that we should--what-
25 -if something happens, what should we be concerned about?

1 What is the standard by which it raises a concern or a
2 significant challenge for the VA, based upon its numbers, in
3 caring for veterans?

4 Dr. Stone. So what you should be concerned about in a
5 community is the prevalence of the disease. And we began
6 this whole thing when we built the budget for this,
7 anticipating that 2 to 3 percent of the population would be
8 infected. We are dealing with a fraction of that, frankly.
9 We are dealing with a tenth of that.

10 Secondly, what VA must be concerned about is the
11 ability to take care of sick people. About 20 percent of
12 the positive are really sick, and do we have enough beds, do
13 we have enough equipment, do we have enough personnel to
14 care for them? Hence, the reconfiguration of the VA's
15 delivery system to grow by almost 4,000 beds as we went
16 through this, and the hiring of massive numbers of people,
17 and the reconfiguration and retraining of ambulatory nurses
18 and providers to provide care and support for the less ill,
19 so our critical care providers can care for that.

20 The VA is well positioned to remain the backstop of the
21 American health care system and to fulfill the mission that
22 the Secretary gave us and that you all expect of us. And at
23 this time, as we enter this, I am at 37 percent on our ICU
24 occupancy, meaning that two-thirds of our ICU beds are now
25 empty today, across the system. Secondly, we are at about

1 53 percent occupancy on our medical-surgical beds. Those
2 are the key questions that you want to know as we walk
3 through.

4 Now what we have seen across this nation is this slow
5 background of cases, not in rapid spikes like we saw earlier
6 in the disease, in late February and early March, where we
7 saw these huge spikes. We have seen this slow background.
8 And we anticipate having about 600 patients as inpatients
9 for COVID right through the fall.

10 The question will be, will this repeat the activity of
11 summer to fall 1918, where wave two is much more malignant,
12 a much tougher disease, so that wave two really resulted in
13 dramatic deaths in late 1918 and in the early winter of
14 1919, January, February.

15 Chairman Moran. Dr. Stone, what does medical
16 scientific evidence have to say about that at this point?
17 Anything?

18 Dr. Stone. At this time we have no idea. But what I
19 think your expectation of us should be, and I know what the
20 Secretary's expectation of me and my leaders is to build a
21 system that can appropriately backstop.

22 Secretary Wilkie. Mr. Chairman, I mentioned that we
23 started preparing for this early on. We have done things
24 like purchase mobile hospitals that we did not have to
25 deploy but they are ready. I also mentioned the creation of

1 a military-like depot system.

2 The other part of that is that I signed a memorandum of
3 agreement with the Defense Logistics Agency so that we are
4 joined at the hip with them and their computerized systems
5 so that VA is no longer the ad hoc system that it has been.
6 The year that I became Secretary there were over 4 million
7 credit card transactions, buying everything from tongue
8 depressors to radiological equipment. These reforms go a
9 long way to eliminating that and making us better prepared
10 for what may come in the fall.

11 Chairman Moran. Thank you, Mr. Secretary. Thank you,
12 Dr. Stone. I am going to turn to Senator Tester for a
13 second question, and then Senator Sinema is joining us now.

14 Senator Tester?

15 Senator Tester. Thank you, Mr. Chairman. A couple of
16 things, and these could be really quick, guys. But on masks
17 I know there has been multiple guidances put out on masks
18 about how they are to be used, if they are to be reused, all
19 that stuff. Have you guys been able to put anything in
20 writing, really, to direct the staff so they know what the
21 expectations are on the N95s?

22 Dr. Stone. Yes, sir. The guidance you reflect
23 occurred on the 7th of April, and then when we went to a
24 crisis mode, and then we went to contingency mode on the
25 14th or 15th of April, and I will get you the exact date.

1 So it was only for one week in this that we went to crisis
2 mode on utilization, and we remain at the guidance that was
3 given on the 14th or 15th of April, which provides one mask
4 per day, per patient that needs an N95, which is those
5 employees in direct contact with COVID patients.

6 Senator Tester. Okay. That is good. I mean, I think
7 that there is some confusion out there, but if you guys got
8 it out and you field it, that information is flowed to the
9 proper sources, that is all you can ask for.

10 Electronic health records. I do not really want to
11 talk about this, but I have got to.

12 Secretary Wilkie. Well, I want to talk about it.

13 Senator Tester. Well, I mean, here is the deal. It seems
14 like every position I have ever been in in government, an
15 elected position, over the last 20 years, has dealt with a
16 fiasco when it comes to programming. And we have spent
17 about \$2.5 billion so far, and I think--and correct me if I
18 am wrong, Secretary Wilkie--there is a request for about
19 \$2.6 billion for electronic health records. And I think
20 everybody around the table, everybody on this Committee
21 understands that this is important or we would not be
22 allocating the money and we would not be pushing to get it
23 done.

24 I guess the question is, and I know you have been
25 impacted by COVID, but what have we gotten done so far?

1 Have we got value for the money we have spent? And what
2 kind of timeline really are we on here to get this up? And
3 going, and is it going to be user friendly enough, where we
4 do not have to send doctors and nurses to training for, you
5 know, a month, to be able to get them to be able to
6 understand how to use the damn record when they should be
7 treating patients?

8 Secretary Wilkie. So this is a good-news story. I
9 mentioned in my opening statement that I believe VA has
10 demonstrated that it is the most agile of the Federal
11 departments. We have been working EHRM even this pandemic,
12 and on April 18th we were able to show that the Joint Health
13 Information Exchange works. We talk to DoD. DoD talks to
14 us. The private sector can work the records.

15 We are going to be going live on the scheduling portion
16 in Columbus, Ohio, and then I expect that Spokane and then
17 later Seattle will be up and running sometime later this
18 year.

19 You are correct that we took practitioners off of the
20 program to put them on the front lines, but we are in a
21 position that I do not think a lot of people thought we
22 would be in. As a matter of fact, all 73 interfaces between
23 DoD, VA, and the private sector now work, and I am confident
24 that we have a good-news story here. It will revolutionize
25 now. The increase that you are talking about is to spread--

1 and it is something that is near and dear to your heart--the
2 infrastructure remodeling of our institutions so that they
3 can handle the electronics required for this system. As you
4 know, particularly out West, many of our facilities have
5 buildings that date back to the 19th century. That was
6 certainly the case in Washington State, where we were
7 testing this.

8 So we are in a much better position than we were when I
9 spoke to this Committee last.

10 Chairman Moran. Senator Tester, Senator Sinema is
11 available, and for us to make certain she has a chance to
12 ask her question before we need to conclude for the vote, I
13 am going to recognize her now.

14 Senator Sinema. Thank you so much, Mr. Chairman, and
15 thanks to the Committee for their patience with our
16 technical issues. So thank you both for holding this
17 hearing, Chairman Moran and Ranking Member Tester, and
18 thanks to all our witnesses for being here today.

19 You know, organizations in Arizona supporting the
20 homeless veteran community have continued to express
21 concerns for the safety of those they serve and the staff
22 that they employ. They also do not feel the VA is providing
23 the necessary assistance to this vulnerable population
24 during the coronavirus pandemic. And one key reason is VA
25 does not have a national coordinated plan to support

1 homeless veterans. A national plan should include testing
2 strategies for homeless populations, access to PPE for all
3 staff working with these communities and plans to care for
4 veterans who test positive for the coronavirus.

5 I know the VA is in need of additional flexibilities to
6 fully support the homeless veteran community during this
7 time, and I am proud to work with Senator Sullivan to
8 introduce our Homeless Veteran Coronavirus Response Act of
9 2020, which will largely address the VA's needs.

10 But Secretary Wilkie, as we work to increase the
11 resources and flexibilities the VA has to support homeless
12 veterans, it is important for VA to lead on a national
13 strategy, support the homeless veteran community, in
14 collaboration with the organizations who provide direct
15 services to the community.

16 What do you need to do this, and why has it not been
17 done thus far?

18 Secretary Wilkie. Well, Senator, thank you, and I know
19 that this Committee and you and Senator Sullivan have been
20 working on this, and that is--your efforts are designed to
21 give us more flexibility. I can tell you what we have been
22 doing during this epidemic. We have used \$300 million in
23 additional funding to augment the three major programs that
24 we have. First is the support to--supportive services for
25 veterans and families, to increase the number of vouchers

1 available for transition and housing. We have tripled the
2 per diem amounts so that we are now addressing the basic
3 food needs of our veterans, and we have augmented our
4 emergency shelter programs.

5 In hot spots like Los Angeles, we have been out
6 actively working with the community to bring veterans inside
7 the fence. Regardless of whether they want to partake of
8 our health care, getting them inside the fence at least
9 allows them access to the food and to whatever services they
10 will agree to have. But that is to protect them.

11 I will be announcing later this month our national
12 roadmap on suicide prevention. As I said when I first
13 addressed this with you, if it was just a roadmap looking at
14 the last tragic act in a veteran's life it would not be
15 worth much. So we are taking a broad look at not only
16 mental health and addiction but also homelessness, the three
17 things that, more often than not, those three areas that the
18 nation as a whole has ignored.

19 And I will let Dr. Stone answer any of the medical
20 questions that you have raised.

21 Dr. Stone. Senator, I appreciate your advocacy for
22 this, and it is one of the areas that we are deeply concern.
23 And I talked earlier, as did the Secretary, about the
24 financial instability and the risks to this population.

25 We have added \$300 million through the supplemental

1 funding to our support for homelessness. As you know that
2 is a \$1.83 billion program that we have asked to increase to
3 \$1.9 billion in 2021. Part of that is we have increased, by
4 70 percent, in the supportive services for veteran families,
5 about \$202 million that we have added to the \$300 million
6 that was already there. We have also added \$88 million in
7 the grant per diem. That is for emergency housing,
8 primarily in hotels, to get veterans off the street,
9 especially so that we can help manage the potential
10 illnesses in that population.

11 And then, as you know, in certain high-cost areas we
12 were very gratified that HUD was given enhanced dollars to
13 raise the amount for the HUD VASH vouchers. We have also
14 added \$10 million more to ensure that there is adequate
15 personnel to work those.

16 But we continue to be pleased with your advocacy for
17 this population as we work our way through this.

18 Senator Sinema. Just a quick follow-up, because I know
19 that my time is expiring, Mr. Chairman, and that is I would
20 love to circle back and talk more about this. As we know,
21 most of the efforts providing direct services to homeless
22 veterans happens at the local level, outside of the VA
23 system. And so I think that is what is leading this to be a
24 somewhat disjointed operation throughout the country, and
25 again why I am advocating so strongly for us to have a

1 national strategy where we can work with our local partners
2 outside of the VA facilities to address this pandemic.

3 Thank you, Mr. Chairman.

4 Secretary Wilkie. Um--

5 Senator Sinema. I appreciate your time.

6 Chairman Moran. Thank you, Senator Sinema.

7 Secretary Wilkie. Senator, let me indulge the
8 Chairman's patience. I think that is one of the reasons why
9 the Chairman has introduced the legislation that is still
10 working its way through the process, so that--and it is
11 something that we supported, that we have those more robust
12 relationships with the states and localities, and charities,
13 nongovernmental organizations, so that we can get into those
14 places that VA is not.

15 So I cannot thank the Committee enough for taking that
16 idea that you have just expressed and putting it into
17 action. I think this Committee has taken a huge step
18 forward.

19 Senator Sinema. Thank you. Thank you, Mr. Chairman.

20 Chairman Moran. Thank you, Senator Sinema. I am going
21 to ask just two quick questions, Mr. Secretary, and then I
22 am going to see if Senator Tester has any quick questions,
23 and we do then need to conclude our hearing. Two more
24 questions related to community care, Mr. Secretary.

25 Your staff shared with my staff that there were 173,721

1 authorizations, excluding emergency and urgent care, were
2 written for community care from March 24 to April 29, 2020,
3 so while we have been through the pandemic. Could you tell
4 me how many authorizations of community care were provided
5 in that same time frame a year ago, so I can make a
6 comparison?

7 Secretary Wilkie. I am going to have to take that for
8 the record, and I believe we are getting that information to
9 your staff.

10 Chairman Moran. Thank you.

11 Secretary Wilkie. Yes, sir.

12 Chairman Moran. And secondly, your reopening plan
13 mentions that the VA will schedule community care and
14 virtual care appointments where, quote, "clinically
15 appropriate." I want to make certain that the veteran is
16 front and center and that "clinically appropriate" is not a
17 phrase that will be used to deny community care as
18 appropriate, which, in most instances, is when it is in the
19 best interest of the veteran.

20 Secretary Wilkie. Yes, sir. Your interpretation is my
21 interpretation. And I would also add that what I have seen
22 during this epidemic with veterans is similar to what
23 practitioners have seen across the country. Most instances
24 of veterans not going into the community have been on their
25 wishes, and we are going to do everything we can to ramp

1 this thing up back to where it was. Sixty percent is not
2 good enough. It is not in line with the forums that you
3 have championed and the forums that I believe in.

4 Chairman Moran. So "clinically appropriate" is not an
5 impediment to MISSION and CARE Act in the community?

6 Secretary Wilkie. No, sir.

7 Chairman Moran. Thank you. Senator Tester?

8 Senator Tester. Thank you, Mr. Chairman. Very
9 quickly, the Chairman mentioned this in his opening remarks,
10 and it has been alluded to throughout this hearing. But
11 especially with COVID-19 now I think that the challenges
12 around mental health are going to get more significant, not
13 less. I appreciate the work that you and your staff have
14 done with our staffs to make sure that the John Scott Hannon
15 bill is ready for prime time. I would encourage you to keep
16 that up, and I will encourage my side to keep that up,
17 because I think this bill is important. I do not think that
18 Senator Moran and myself would have introduced it if we did
19 not think that was a problem, and I do not think you guys
20 see it any differently either. We have just got to get this
21 going, because I am not sure that we have got--I am not
22 sure. We do not have our arms around it yet. So we need to
23 use every tool we have available.

24 If you would like to comment to that, you can, but I
25 would just like to say I appreciate working on it, and I

1 think we need to get it done. It did pass the Committee by
2 unanimous--I mean, unanimously, and you know the differences
3 of political spectrum on this Committee are wide. We all
4 agreed that this was the right thing to do.

5 The last thing I would say, in closing, and thank you,
6 Mr. Chairman, is that, you know, you guys, I have been
7 looking at you on TV for the last two hours, and I would
8 just tell you that if you decide to give up the VA, all four
9 of you have hope to be, you know, news announcers on your
10 local TV stations.

11 Secretary Wilkie. Thank you, sir.

12 Chairman Moran. Senator Tester, I do not know whether
13 there was a compliment in there. I was distracted. But I
14 agree--

15 Senator Tester. They look good.

16 Chairman Moran. But I will assume there was a
17 compliment there.

18 Secretary Wilkie. I agree with your statement.

19 Senator Tester. They look really good. Even on high
20 def they look good.

21 Secretary Wilkie. I agree with your sentiment about
22 the legislation. It is vital.

23 Chairman Moran. Senator Tester, there are two bills
24 pending unanimous consent request in the Senate. I was
25 informed today that I think one of them is ready. The

1 other, it is cleared on our side and not yours. If you
2 would check with your staff. This is something that you and
3 I both support and something that the Department has been
4 asking for.

5 Senator Tester. I am on it, Jerry. Thank you.

6 Chairman Moran. Thanks very much, Jon.

7 Mr. Secretary, I always give witnesses in front of my
8 committees the opportunity to clarify, to retract, make any
9 corrections of something that they said or something that
10 wish they had said.

11 Secretary Wilkie. I will go back and look, but that is
12 not going to stop me from thanking the Committee, as I did
13 at the beginning. There is no better committee when it
14 comes to the oversight of the Department for which you have
15 responsibility, or a more collaborative committee.

16 I do want to say one thing. Thousands of VA employees
17 have put themselves in harm's way. I think they--well, I do
18 not think--they deserve the thanks of the American people.
19 We have opened our hospitals. We have sent people into
20 extremely dangerous situations. They have responded
21 magnificently. And one of the things I would add is that we
22 actually have a lower absentee rate and a lower leave
23 request rate this year than we did last year, because people
24 have responded to the call to duty, as they always do, and I
25 am very proud to be part of their family. And I thank you,

1 sir.

2 Chairman Moran. Mr. Secretary, thank you for your
3 presence and your team here today. I thought the hearing
4 was valuable and I appreciate your testimony and our
5 conversations. And I would express my gratitude on behalf
6 of all Kansans, on behalf of all Americans for the men and
7 women who work at the Department of Veterans Affairs, many
8 of them veterans themselves, who arose to the cause of
9 caring for their brothers and sisters at the Department of
10 Veterans Affairs. And we are very grateful for the risks
11 they take and the anxiety they and their families must have
12 about that service. So thank you for your reiteration of
13 that, and I join you in that sentiment.

14 Secretary Wilkie. Thank you, sir.

15 Chairman Moran. The Disabled American Veterans, the
16 Paralyzed Veterans of America, and the Veterans of Foreign
17 Wars have each year produced an independent budget based on
18 their analysis of the funding needs of the VA. For this
19 hearing we asked those VSO partners to submit written
20 testimony on the President's budget request for the VA, and
21 they provided valuable feedback. They have done so, and
22 without objection I will include their written testimony
23 into the record. So ordered.

24 [The information follows:]

25 / COMMITTEE INSERT

1 Chairman Moran. Committee members, you have the
2 opportunity to submit for us today additional questions for
3 the witnesses. Please do so in the next five days. Mr.
4 Secretary, please ask your Department to respond as quickly
5 as possible to our Committee's further question.

6 Secretary Wilkie. Yes, sir.

7 Chairman Moran. And without further conversation we
8 are adjourned.

9 [Whereupon, at 5:02 p.m., the Committee was adjourned.]

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